



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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July 9, 1993

Mr. James M. Parker, State Director  
Bureau of Land Management  
Utah State Office  
324 South State, Suite 301  
Salt Lake City, Utah 84111-2303

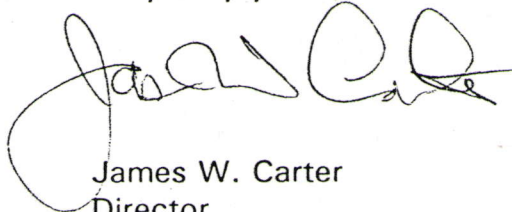
Dear Mr. Parker:

Re: Division Review Comments, Proposed Royalty Reduction, Federal Lease U-0126938, American Gilsonite Company (AGC), Little Emma No. 6 Mine, M/047/010, Uintah County, Utah

Thank you for your letter received June 30, 1993, regarding AGC's request for a reduction in the 12 1/2% royalty fee presently assessed on Federal gilsonite lease U-0126938. The Division has reviewed the proposal and concurs with the Bureau's proposal to approve of the royalty rate reduction for the low-grade gilsonite ore located in the upper panel of the Little Emma No. 6 mine shaft.

We have no additional comments or concerns with this proposal as it would not warrant any significant change to the approved mining and reclamation plan on file with this Division. Thank you for the opportunity to review and comment on the proposal. If we can be of further assistance, please contact me, Lowell Braxton (Associate Director, Mining), or D. Wayne Hedberg (Supervisor, Minerals Program) at your convenience.

Very truly yours,



James W. Carter  
Director

jb  
cc: Lowell Braxton, DOGM  
Minerals file  
M047010.blm